

**BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001**

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

**DOUGLAS F. CARLSON
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS DAVID R. FRONK
(DFC/USPS-T32-1-7)**

July 15, 1997

Pursuant to sections 25 and 26 of the *Rules of Practice*, I, Douglas F. Carlson, hereby submit interrogatories to United States Postal Service witness David R. Fronk.

If the witness is unable to provide a complete, responsive answer to a question, I request that the witness redirect the question to a witness who can provide a complete, responsive answer. In the alternative, I request that the question be redirected to the Postal Service for an institutional response.

If data requested are not available in the exact format or level of detail requested, any data available in (1) a substantially similar format or level of detail or (2) susceptible to being converted to the requested format and detail should be provided.

The production of documents requested herein should be made by photocopies attached to responses of these interrogatories.

The term "documents" includes, but is not limited to: letters, telegrams, memoranda, reports, studies, newspaper clippings, speeches, testimonies, pamphlets, charts, tabulations, and workpapers. The term "documents" also includes other means by which information is recorded or transmitted, including printouts, microfilms, cards,

discs, and tapes and recordings used in data processing together with any written material necessary to understand or use such punch cards, discs, tapes, or other recordings.

"All documents" means each document, as defined above, that can be located, discovered, or obtained by reasonably diligent efforts, including, without limitation, all documents possessed by (a) you or your counsel or (b) any other person or entity from whom you can obtain such documents by request or which you have a legal right to bring within your possession by demand.

"Communications" includes, but is not limited to, any and all conversations, meetings, and discussions and any other occasion for verbal exchange, whether in person or by telephone, as well as all documents, including but not limited to letters, memoranda, telegrams, cables, or electronic mail.

"Relating to" means discussing, describing, reflecting, containing, analyzing, studying, reporting, commenting on, evidencing, constituting, setting forth, considering, recommending, concerning, or pertaining to, in whole or in part. Responses to requests for explanations or the derivation of numbers should be accompanied by workpapers. The term "workpapers" shall include all backup material, whether prepared manually, mechanically, or electronically, without consideration to the type of paper used. Such workpapers should, if necessary, be prepared as part of the witness' responses and should "show what the numbers were [and] what numbers were added to other numbers to achieve a final result." The witness should "prepare sufficient workpapers so that it is possible for a third party to understand how he took data from a primary source and developed that data to achieve his final results." Docket No. R83-1, Tr. 10/2795-96. Where the arithmetic manipulations were performed by an electronic digital computer with internally stored instructions and no English language intermediate printouts were prepared, the arithmetic steps should be replicated by manual or other means.

Please especially note that if you are unable to provide any of the requested documents or information, as to any of the interrogatories, please provide an explanation for each instance in which documents or information cannot be provided or have not been provided.

Respectfully submitted,

Dated: July 15, 1997



DOUGLAS F. CARLSON

DFC/USPS-T32-1. In your testimony at page 37, lines 7-8, you testified, "Automation-compatible First-Class Mail is used daily by millions of individuals and small businesses." Please explain how individuals and small businesses use "Automation-compatible First-Class Mail." For example, do you mean that individuals and small businesses enjoy rate discounts for producing automation-compatible mail? Or, are you simply noting that individuals and small businesses deposit with the Postal Service mail that, intentionally or coincidentally, is compatible with automated processing?

DFC/USPS-T32-2. For this question, the term "standard-sized" mail refers to mail that is not subject to a nonstandard surcharge under DMM § C100.3.0.

Does the term "automation-compatible First-Class Mail" apply to:

a. Typewritten, one-ounce, standard-sized, first-class letters whose address information (1) can be read completely by an Optical Character Reader (OCR) without assistance from the Remote Bar Code System (RBCS) and (2) is sufficiently accurate and complete to allow the highest level of bar code (i.e., 5-digit, 9-digit, or delivery-point) desired for that address to be applied to the envelope?

b. Typewritten, one-ounce, standard-sized, first-class letters whose address information (1) can be read completely by an Optical Character Reader (OCR) without assistance from the Remote Bar Code System (RBCS) but (2) is sufficiently accurate and complete to allow only a bar code that is inferior to the highest level of bar code (i.e., 9-digit, or delivery-point) desired for that address to be applied to the envelope?

c. One-ounce, standard-sized, First-class letters whose address information (1) can be read completely by an Optical Character Reader (OCR) with assistance only from the Remote Computer Reader (RCR) portion of the Remote Bar Code System (RBCS) and (2) is sufficiently accurate and complete to allow the highest level of bar code (i.e., 5-digit, 9-digit, or delivery-point) desired for that address to be applied to the envelope?

d. One-ounce, standard-sized, first-class letters whose address information cannot be read completely by an Optical Character Reader (OCR) and, therefore, requires assistance from a Data Conversion Operator via the Remote Bar Code System (RBCS) in order to allow the highest level of bar code (i.e., 5-digit, 9-digit, or delivery-point) desired for that address to be applied to the envelope?

e. Machinable, non-bar-coded, single-piece, first-class flats?

DFC/USPS-T32-3.

a. Of the types of mail described in parts (a) and (d) of DFC/USPS-T32-2, is the type described in part (a) less expensive to process than the type described in part (d)?

b. If the answer to part (a) is yes, please quantify the cost differential.

DFC/USPS-T32-4.

a. In your testimony at page 37, you testified that Prepaid Reply Mail would "permit the general public to more directly share in the benefits of automation. . . ." Since your use of the word "more" implies that you are making a comparison, please

identify the other condition(s) or circumstance(s) to which you are comparing the public's improved ability to benefit from automation under the PRM proposal.

b. Please summarize how the average individual benefits from postal automation.

c. Does the Postal Service benefit when individuals prepare their mail so that it is automation-compatible?

DFC/USPS-T32-5 Please confirm that one objective of some of the recent phases of classification reform was to provide mailers with a rate-based incentive to prepare automation-compatible mail. If you do not confirm, please explain fully.

DFC/USPS-T32-6.

a. Please confirm that one achievement of classification reform in Docket No. MC95-1 was to lower the rates for certain categories of presorted, bar-coded, automation-compatible First-Class Mail. If you do not confirm, please explain fully.

b. Please confirm that, in some instances, the rates for certain categories of presorted, bar-coded, automation-compatible First-Class Mail were lower on July 1, 1996, the implementation date for the rates that were recommended and approved in Docket No. MC95-1, than the rates for the same type of mail that existed on January 1, 1995, the implementation date for the rates that were recommended and approved in Docket No. R94-1. If you do not confirm, please explain fully.

c. Please confirm that, in some instances, the rates for certain categories of non-automation-compatible mail were higher on July 1, 1996, the implementation date for the rates that were recommended and approved in Docket No. MC95-1, than the rates for the same type of mail that existed on January 1, 1995, the implementation date for the rates that were recommended and approved in Docket No. R94-1. If you do not confirm, please explain fully.

d. Please confirm that, by lowering rates for certain categories of presorted, bar-coded, automation-compatible First-Class Mail, the Postal Service expected some volume to shift from nonautomated categories to the automated categories. If you do not confirm, please explain fully.

e. Please confirm that the Postal Service would consider the volume shift described in part (d) to be desirable. If you do not confirm, please explain fully.

DFC/USPS-T32-7. Please refer to your testimony at page 37. If the problems associated with a discounted rate such as "Courtesy Envelope Mail" or "Public's Automation Rate" did not exist or could be eliminated, would the Postal Service support one or both of these proposals? Please explain why or why not.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with section 12 of the *Rules of Practice* and sections 3(B) and 3(C) of the *Special Rules of Practice*.



DOUGLAS F. CARLSON

July 15, 1997
Emeryville, California